

Global Daily Report



Treasury Sales Team

+40372 31 85 88

sales.treasury@otpbank.ro

Summary

- The eurozone's growth slowed in Q3.
- Indices on the Wall Street upped more than 1% on Tuesday.
- The eurozone posted inflation and labour market data.

The eurozone's growth pace lost speed in the third quarter, Eurostat's data show. The preliminary estimate, which is based on limited information, signifies that the block's quarter-over-quarter expansion of 0.2% misses expectations (0.4%), while its year/year growth fell from 2.1% to 1.7%. The weaker-than-expected figure seems to support the view that individual, country-specific factors alone cannot be blamed for the deceleration in the first half of the year. The second estimate is due out in the middle of November, at the same time when a number of countries release their preliminary data. Those figures will tell whether or not it is the core economies who are responsible for the eurozone's weaker performance in the third quarter, as it was the case in the first half-year. The GDP figure published on Tuesday casts a shadow on Italy as it points to stagnation in quarter/quarter terms, while the year/year growth decelerated to 0.8%.

Lacking a single direction of trading, Europe's key stock markets closed mixed, with small moves in both directions. In the corporate world, car manufacturers made headlines. Volkswagen's shares rallied 3.0%, benefiting from the earnings report – the company improved its previous year's performance on most lines, weathering the storms of the diesel scandal and the intensifying trade war. Meanwhile Fiat (-3.2%) became the loser of the day in Milan; its key financial highlights were rather mixed but it informed investors of extraordinary dividend payment.

Ending a day of ups and downs, the key indices on the Wall Street closed with healthy gains of more than 1%. In individual names, GE did not fare well, nose-diving 8.8% by the close, to its lowest since 1 April 2009. The avalanche started when its flash reports revealed that GE would reduce dividend payment to one cent per quarter. Facebook (+2.9%) released its report after market hours, giving account of better-than-expected profit but pale revenue data; yet the tech share started a downhill ride in after-hours trading.

The eurozone's pale growth left its mark on the block's currency; EUR/USD sank to 1.13. The CEE region's currencies stagnated against the euro. Among emerging currencies, the Turkish lira extended its gains against the euro for the sixth day in a row.

Crude oil prices fell more than 1% owing to growing inventories and trade war worries.

The optimism in the USA reverberated in Asia this morning, raising all indices by more than 1% just before the close. The yen slightly weakened against the US dollar, as today's meeting of the Bank of Japan left its monetary conditions in place.

Today the eurozone will release inflation and labour market data. In the United States, the ADP institute will publish its non-farm employment change, which may be indicative before Friday's official publication.

	Stocks				Bonds				Commodity & FX			
	Product name	Close	Daily change (%)	YTD (%)	Product name	Yield	Daily change*	YTD	Product name	Close	Daily change (%)	YTD (%)
Global	S&P500	2682,6	1,6	0,3	VIX	23,4	-5,5	112	WTI	66,2	-1,3	9,5
	DOW	24874,6	1,8	0,6	US 2Y	2,84	2	95	Brent	75,91	-1,8	13,5
	Nasdaq100	6810,1	1,4	6,5	US 10Y	3,11	2	70	Gold	1222,6	-0,5	-6,1
	DAX	11287,4	-0,4	-12,6	GER 2Y	-0,65	1	-2	Silver	14,44	-0,1	-14,8
	CAC40	4978,5	-0,2	-6,3	GER 10Y	0,37	-1	-5	EUR/USD	1,13	-0,2	-5,4
	FTSE 100	7035,9	0,1	-8,5	PT10Y	1,90	4	-3	EUR/GBP	0,89	0,5	0,5
	FTSE MIB	18998,8	-0,2	-13,1	IT 10Y	3,48	14	149	EUR/NOK	9,54	0,0	-3,1
	Stoxx600	355,5	0,0	-8,6	SP 10	1,59	3	2	USD/CAD	1,31	-0,2	4,2
	- Banks	120,6	-0,6	-26,9	iTRAXX	76,0	0,7	68	AUD/USD	0,71	0,7	-8,9
	Nikkei 225	21920,5	2,2	-3,7	JPY 2Y	-0,12	0	1	USD/JPY	113,08	0,6	0,4
SSEC	2601,7	1,3	-21,3	JPY 10Y	0,13	1	8	GBP/USD	1,27	-0,7	-6,0	
Regional	RTS	1105,3	-0,7	-4,3	RUS10	8,6	0,2	14	USD/RUB	65,457	-0,5	13,5
	WIG20	2122,73	0,9	-13,8	POL 10	3,2	1,3	-4	EUR/PLN	4,33	0,0	3,6
	PX50	1049,8	-0,5	-2,6	CZ10	2,1	0,2	41	EUR/RON	4,663	0,0	-0,3
Hungary	BUX	36445	0,9	-7,4	3M DKJ	0,04	0	0	EUR/HUF	324,58	0,0	4,5
	OTP	10000	-0,3	-6,7	1Y	0,34	-1	29	USD/HUF	285,90	0,1	10,5
	MOL	2976	3,7	-1,0	3Y	1,62	-1	107	CHF/HUF	284,38	-0,2	7,3
	MTelekom	391	0,1	-14,6	5Y	3,07	-3	190	PLN/HUF	74,95	0,0	0,9
	Richter	5180	-0,4	-23,6	10Y	3,61	-3	157	GBP/HUF	363,27	-0,5	4,0

* In the case of bond yields, the change is in basis points instead of percentage (VIX and ITRAXX not included).

Sources: Reuters, OTP Research

Data	Cd.	Event/Data	Period	Fact	Cons.	Prev.
2018 10. 29.	13 : 30	US Personal income (mom, %)	Sept	0,2	0,3	0,4
	13 : 30	US Personal consumption (adjusted, mom, %)	Sept	0,4	0,4	0,5
	0 : 0	EU Economic forecast of the European Commission	-	-	-	-
30.	7 : 30	FR GDP (preliminary, qoq, %)	Q3	0,4	0,5	0,20
	9 : 00	HU Unemployment rate (%)	Sept	3,8	-	3,7
	10 : 00	IT GDP (preliminary, qoq, %)	Q3	0,0	0,1	0,2
	11 : 00	EZ EC Economic Sentiment Index (points)	Oct	109,8	110,0	110,9
	11 : 00	EZ GDP (preliminary, yoy, %)	Q3	1,7	1,8	2,1
	11 : 00	EZ GDP (preliminary, qoq, %)	Q3	0,2	0,4	0,4
	14 : 00	DE CPI (flash, yoy, %)	Oct	2,5	2,4	2,3
	14 : 00	US Case-Shiller Home Price Index (yoy, %)	Aug	5,50	5,80	5,90
	15 : 00	US Consumer confidence (point)	Oct	138	136	138
31.	2 : 00	CN NBS Manufacturing PMI (points)	Oct	50,2	50,6	50,8
	2 : 00	CN NBS non-Manufacturing PMI (points)	Oct	53,9	-	54,9
	5 : 00	JP Interest rate decision (%)	Oct	-0,1	-0,1	-0,1
	8 : 00	DE Retail sales (mom, %)	Sept	0,1	0,5	-0,1
	9 : 00	HU Industrial producer prices (yoy, %)	Sept		-	8,1
	9 : 00	ES GDP (preliminary, qoq, %)	Q3		0,6	0,6
	11 : 00	EZ CPI (flash, yoy, %)	Oct		2,2	2,1
	11 : 00	EZ Core CPI (flash, yoy, %)	Oct		1,0	0,9
	11 : 00	EZ Unemployment rate (%)	Sept		8,1	8,1
	11 : 00	HU MNB House Price Index	Q2		-	138,0
	13 : 15	US ADP non-farm employment (mom, '000s)	Oct		189	230
	14 : 45	US Chicago PMI (points)	Oct		60,0	60,4
11. 1.	13 : 00	CZ Interest rate decision (%)	Nov		1,5	1,5
	13 : 00	UK Interest rate decision (%)	Nov		0,8	0,8
	15 : 00	US ISM Manufacturing PMI (points)	Oct		59,6	59,8
	15 : 00	US Construction expenditure (mom, %)	Sept		0,2	0,1
	20 : 30	US Vehicle sales (annualized monthly, million)	Oct		17,3	17,4
2.	13 : 30	US Unemployment rate (%)	Oct		3,7	3,7
	13 : 30	US Average earnings (yoy, %)	Oct		2,9	2,8
	13 : 30	US Average earnings (mom, %)	Oct		0,3	0,3
	13 : 30	US Non-farm payroll (mom, '000s)	Oct		189	134
	15 : 00	US Factory orders (mom, %)	Sept		-0,8	2,3

Sources: Reuters, OTP Research

Chief Economist
Gergely Tardos
tardosg@otpbank.hu
+36 1 374 7273

Analyst
Beáta Váradi
varadibe@otpbank.hu
+36 1 374 7271

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